

FEB 20 '08

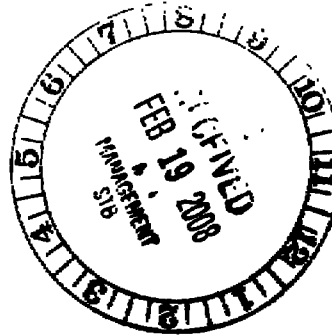
11-46 AM

FIRST UNION RAIL

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588  
www.firstunionrail.com

SURFACE TRANSPORTATION BOARD

VIA UPS 2<sup>nd</sup> DAY AIR

February 14, 2008

Mr. Vernon Williams  
Surface Transportation Board  
395 E Street, S.W., Suite 100  
Washington, DC 20024  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated January 30, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Mervis Industries, Inc.  
3295 E Main St  
Danville, IL 61834

A description of the railroad equipment covered by the enclosed document is fifteen (15) gondola cars with NDYX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,

Marcia Dufine  
Rail Documentation Specialist

Enclosures  
(MERV001)

ASSGN. NO.: MERV001SF

FEB 20 '08

11-46 AM

## MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 30<sup>th</sup> day of January, 2008, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and MERVIS INDUSTRIES, INC. ("Lessee"), an Illinois corporation.

## WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of January 30, 2008, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 24, 2008, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR  
Title: VICE PRESIDENT, SALES & MARKETING

By: Susan Grokulska  
Name: SUSAN GROKULSKY  
Title: ASST. DIRECTOR OF DOCUMENTATION

Executed on this 30<sup>th</sup> day of January, 2008.

[CORPORATE SEAL]

STATE OF ILLINOIS  
COUNTY OF COOK

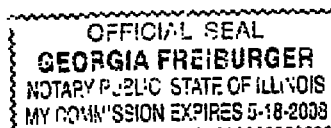
I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 30<sup>th</sup> day of January, 2008.

Georgia Freiburger  
Notary Public

My Commission Expires:

5-2008  
(Notary Public)



LESSEE:

MERVIS INDUSTRIES, INC.

ATTEST:

By: Michael Smith  
Name: Michael Smith  
Title: VP/CFO

By: Adam Mervis  
Name: Adam Mervis  
Title: President

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[CORPORATE SEAL]

STATE OF Illinois

COUNTY OF Champaign

I, Marsha E Hull, a Notary Public of the County and State aforesaid, certify that Adam Mervis personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

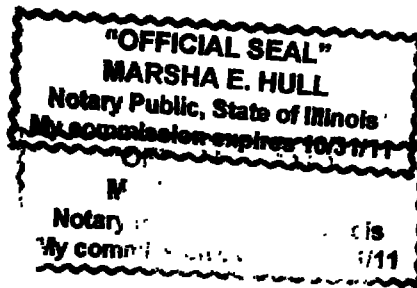
WITNESS my hand and official stamp or seal, this 15<sup>th</sup> day of January 2008

Marsha E Hull

Notary Public

Commission Expires:

10-31-11  
(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS.            Fifteen (15)

DESCRIPTION OF CARS:    52' length, 5'6" sided gondola cars with 286,000 TWR.

CAR NUMBERS:

NDYX 322000  
NDYX 322005  
NDYX 322011  
NDYX 322012  
NDYX 322014  
NDYX 322015  
NDYX 322018  
NDYX 322019  
NDYX 322027  
NDYX 322030  
NDYX 322032  
NDYX 322035  
NDYX 322037  
NDYX 322042  
NDYX 322047